

0004 RF 94

States Government

Department of Energy

# Memorandum

Jan 3 11 54 AM '94

Rocky Flats Office

DUE  
DATE 1-21-94

ACTION *Stiger*

DIST LTR ENC

ENEDETTI, R.L.	<input checked="" type="checkbox"/>
ENJAMIN, A.	
ERMAN, H.S.	
ARNIVAL, G.J.	
OPP, R.D.	
ORDOVA, R.C.	
AVIS, J.G.	
ERBERA, D.W.	
RANZ, W.A.	
ANNI, B.J.	
EALY, T.J.	
EDAHL, T.G.	
LBIG, J.G.	
JTCHINS, N.M.	<input checked="" type="checkbox"/>
RBRY, W.A.	
ESTER, A.W.	
AHAFFEY, J.W.	
ANN, H.P.	<input checked="" type="checkbox"/>
ARX, G.E.	
CKENNA, F.G.	
ORGAN, R.V.	
IZZUTO, V.M.	
POTTER, G.L.	
SANDLIN, N.B.	
SATTERWHITE, D.G.	
CHUBERT, A.L.	
SETLOCK, G.H.	
SULLIVAN, M.T.	
SWANSON, E.R.	<input checked="" type="checkbox"/>
WILKINSON, R.B.	<input checked="" type="checkbox"/>
WILSON, J.M.	<input checked="" type="checkbox"/>

DEC 28 1993

ERD:FRL:13498

Solar Ponds Project Reprogramming

H. P. Mann, General Manager  
EG&G Rocky Flats, Inc.

EG&G  
ROCKY FLATS PLANT  
CORRESPONDENCE CONTROL



000021112

The Solar Ponds Project has experienced several significant failures throughout the project history. Significant progress has been made during the last 18 months toward bringing the project under control, however, I am still dismayed by the high project costs and apparent acceptance of the status quo. One particularly disturbing concern is the limited use of standard project reports from EG&G to the DOE, as described in DOE Order 4700.1. I would have expected these routine reports to have been used as an element of good project management, whether or not formal Major System Acquisition Project Management Plans were approved. I expect a focused effort by EG&G to address my concerns and to develop management approaches and cost reduction initiatives as if the money they were spending was their own. The Solar Ponds Project provides an ideal area for this kind of focus.

I am requesting that EG&G begin immediately to revise the program baseline for the Solar Ponds Project. This revision should address the changes in program direction which have evolved from the recent dispute resolution and my emphasis on tangible results and cost effectiveness. I expect to see a clear presentation of EG&G's current concept of the project, management approach, technical scope, integrated network schedules, cost estimates, and budget profiles for the full life cycle of the project. I request this be presented to me as a program briefing no later than January 21, 1994. Several aspects of this effort are of special interest as described below:

- 1) Emphasis on cost reduction and creative management to get results.
- 2) Cost estimates which reflect the actions required of a prudent man. (For example, operation of the 750 and 904 Pads strikes me as a \$2M operation, not \$8M; operation of B-910 should be \$1.5M, not \$3.5M; a RCRA cap should cost \$5M, not \$30M, based on results from similar efforts at other sites)
- 3) Strong consideration for use of fixed-price contracts to reduce costs. This may mean better definition of scope prior to contracting, which is also a positive action.

CORRES CONTROL	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
PATS/T130G	<input checked="" type="checkbox"/>	
ADMN RECORD/080	<input checked="" type="checkbox"/>	

Reviewed for Addressee  
Corres. Control RFP

1-3-94 *Cin*  
DATE BY

Ref Ltr. #


DOE ORDER # *5400.1*  
*4700.1*

DEC 28 1993

H. P. Mann  
ERD:FRL:13498

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The Solar Ponds Project has the potential for tangible success which can be a real win for Rocky Flats. However, I am convinced that the past approaches and methods will not function to accomplish this success. I look forward to your presentation and pledge the support of my staff to work towards meeting my expectations for improvement in the Solar Ponds Project.

  
Mark N. Silverman  
Manager

cc:

R. Lightner, EM-45  
R. Greenberg, EM-453  
A. Rampertaap, EM-453  
H. Belencan, EM-453  
A. Pauole, OOM, RFO  
M. Karol, AMCM, RFO  
M. Bishop, AMFAS, RFO  
M. McBride, AMER, RFO  
R. Schassburger, ERD, RFO  
R. Benedetti, EG&G  
N. Hutchins, EG&G  
S. Keith, EG&G